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DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-863]

Large Diameter Welded Pipe from Canada: Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing an antidumping duty order on large diameter welded carbon and alloy steel line and structural pipe from Canada.

DATES: Applicable [Insert Date of Publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Susan S. Pulongbarit at (202) 482-4031 or Annathea Cook at (202) 482-0250, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On February 27, 2019, Commerce published its affirmative final determination in the less-than-fair-value (LTFV) investigation of large diameter welded pipe from Canada.¹ The scope of the investigation in Commerce's final determination covered large diameter welded carbon and alloy steel line pipe (welded line pipe), large diameter welded carbon and alloy steel structural pipe (welded structural pipe), and stainless steel large diameter welded pipe (stainless

¹ See *Large Diameter Welded Pipe from Canada: Final Affirmative Determination of Sales at Less Than Fair Value*, 84 FR 6378 (February 27, 2019) (*Final Determination*).

steel pipe) from Canada.² As discussed below, the ITC subsequently found three domestic like products covered by the scope of the investigation (welded line pipe, welded structural pipe, and stainless steel pipe) and, accordingly, made a separate injury determination with respect to each domestic like product. On April 15, 2019, the ITC notified Commerce of its final determination, pursuant to 735(d) of the Tariff Act of 1930, as amended (the Act), that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act, by reason of LTFV imports of welded line pipe and welded structural pipe from Canada.³ Additionally, the ITC made a negative determination of material injury or threat of material injury with respect to stainless steel pipe.⁴ Commerce released draft revised scope language for comment by parties.⁵ No party objected to the revised scope language in this proceeding.

Scope of the Order

The products covered by this order are welded line pipe and welded structural pipe from Canada. For a complete description of the scope of this order, *see* the Appendix to this notice.

Antidumping Duty Order

On April 15, 2019, in accordance with sections 735(b)(1)(A)(i) and 735(d) of the Act, the ITC notified Commerce of its final determination in this investigation, in which it found that imports of welded line pipe and welded structural pipe from Canada are materially injuring a U.S. industry.⁶ As a result, and in accordance with sections 735(c)(2) and 736 of the Act, we are publishing this antidumping duty order. As noted above, in its determination, the ITC found

² *Id.*

³ *See* ITC Notification Letter regarding ITC Investigation Nos. 701-TA-595-596 and 731-TA-1401, 1403, 1405-1406, dated April 15, 2019 (ITC Notification); *see also Large Diameter Welded Pipe from Canada, Greece, Korea, and Turkey; Determinations*, 84 FR 16533 (April 19, 2019) (*ITC Final Determination*); and *Large Diameter Welded Pipe from Canada, Greece, Korea, and Turkey, Investigation Nos. 701-TA-595-596 and 731-TA-1401, 1403, 1405-1406 (Final)*, Publication 4883, April 2019 (Final ITC Report).

⁴ *See* ITC Notification.

⁵ *See* Memorandum, “Comments on the Scope of the Orders,” dated April 5, 2019.

⁶ *See* ITC Notification; and *ITC Final Determination*.

three domestic like products covered by the scope of the investigation: welded line pipe, welded structural pipe, and stainless steel pipe. The ITC made a negative determination with respect to stainless steel pipe from Canada. The ITC made an affirmative determination with respect to welded line pipe and welded structural pipe from Canada. Because the ITC made distinct and different injury determinations for separate domestic like products, Commerce will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on entries of welded line pipe and welded structural pipe (subject merchandise) from Canada, and not on entries of stainless steel pipe (excluded merchandise) from Canada.

Welded Line Pipe

The Final ITC Report describes welded line pipe as a tubular product produced from carbon and alloy steel, produced to American Petroleum Institute (API) 5L specifications, and designed for conveying liquids and gases.⁷ Because the ITC determined that LTFV imports of welded line pipe from Canada are materially injuring a U.S. industry,⁸ all unliquidated entries of subject merchandise from Canada, entered or withdrawn from warehouse, are subject to the assessment of antidumping duties, as described below.

As a result of the *ITC Final Determination*, in accordance with section 736(a) of the Act, Commerce will direct CBP to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise for all relevant entries of welded line pipe from Canada. Antidumping duties will be assessed on unliquidated entries of welded line pipe from Canada entered, or withdrawn from warehouse, for consumption on or after August 27, 2018, the

⁷ See Final ITC Report at 7.

⁸ *Id.* at 1 and 5.

date of publication of the *Preliminary Determination*,⁹ but will not be assessed on entries occurring after the expiration of the provisional measures period, beginning on February 23, 2019, in accordance with section 733(d) of the Act, until the date of publication of the *ITC Final Determination* in the *Federal Register*.

Welded Structural Pipe

The Final ITC Report describes welded structural pipe as a tubular product produced from carbon and alloy steel, produced to American Society for Testing and Materials (ASTM) specifications, and designed for support in construction projects and piling.¹⁰ Because the ITC determined that LTFV imports of welded structural pipe from Canada are materially injuring a U.S. industry,¹¹ all unliquidated entries of subject merchandise from Canada, entered or withdrawn from warehouse, are subject to the assessment of antidumping duties, as described below.

As a result of the *ITC Final Determination*, in accordance with section 736(a) of the Act, Commerce will direct CBP to assess, upon further instruction by Commerce, antidumping duties for all relevant entries of welded structural pipe from Canada. Antidumping duties will be assessed on unliquidated entries of welded structural pipe from Canada entered, or withdrawn from warehouse, for consumption on or after August 27, 2018, the date of publication of the *Preliminary Determination*,¹² but will not be assessed on entries occurring after the expiration of the provisional measures period, beginning on February 23, 2019, in accordance with section

⁹ See *Large Diameter Welded Pipe from Canada: Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures*, 83 FR 43649 (August 27, 2018) (*Preliminary Determination*).

¹⁰ See Final ITC Report at 7.

¹¹ *Id.* at 1 and 5.

¹² See *Preliminary Determination*.

733(d) of the Act, until the date of publication of the *ITC Final Determination* in the *Federal Register*.

Stainless Steel Pipe

The Final ITC Report describes stainless steel pipe as being produced from stainless steel for its high-chrome chemistry and corrosion-resistant properties.¹³ Because the ITC made a negative determination of material injury or threat of material injury by reason of LTFV imports of stainless steel pipe from Canada,¹⁴ Commerce will direct CBP to terminate the suspension of liquidation for entries of stainless steel pipe from Canada entered, or withdrawn from warehouse, and to refund all cash deposits with respect to these entries pursuant to section 735(c)(2) of the Act.

Suspension of Liquidation

In accordance with section 736 of the Act, Commerce will direct CBP to reinstitute the suspension of liquidation of subject merchandise (*i.e.*, welded line pipe and welded structural pipe) from Canada, effective the date of publication of the *ITC Final Determination* in the *Federal Register*, and to assess, upon further instruction by Commerce pursuant to section 736(a)(1) of the Act, antidumping duties for each entry of the subject merchandise equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise. We intend to instruct CBP to require, at the same time as importers would normally deposit estimated import duties on this merchandise, cash deposits for each entry of subject merchandise equal to the rates noted below. These instructions suspending liquidation will remain in effect until further notice. The all-others rate applies to all other producers or exporters not specifically listed.

¹³ See Final ITC Report at 7.

¹⁴ *Id.* at 1-2 and 5.

Company	Estimated Weighted-Average Dumping Margin (percent)
Evraz Inc. NA ¹⁵	12.32
All Others	12.32

Notifications to Interested Parties

This notice constitutes the antidumping duty order with respect to welded line pipe and welded structural pipe from Canada pursuant to section 736(a) of the Act. Interested parties can find a list of antidumping duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This order is published in accordance with sections 735(c) and 736(a) of the Act and 19 CFR 351.211(b).

Dated: April 23, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

¹⁵ Consistent with the *Final Determination*, we continue to treat Evraz Inc. NA, Evraz Inc. NA Canada, and the Canadian National Steel Corporation as a single entity.

Appendix

Scope of the Order

The merchandise covered by this order is welded carbon and alloy steel pipe (other than stainless steel pipe), more than 406.4 mm (16 inches) in nominal outside diameter (large diameter welded pipe), regardless of wall thickness, length, surface finish, grade, end finish, or stenciling. Large diameter welded pipe may be used to transport oil, gas, slurry, steam, or other fluids, liquids, or gases. It may also be used for structural purposes, including, but not limited to, piling.

Specifically, not included is large diameter welded pipe produced only to specifications of the American Water Works Association (AWWA) for water and sewage pipe.

Large diameter welded pipe used to transport oil, gas, or natural gas liquids is normally produced to the American Petroleum Institute (API) specification 5L. Large diameter welded pipe may also be produced to American Society for Testing and Materials (ASTM) standards A500, A252, or A53, or other relevant domestic specifications, grades and/or standards. Large diameter welded pipe can be produced to comparable foreign specifications, grades and/or standards or to proprietary specifications, grades and/or standards, or can be non-graded material. All pipe meeting the physical description set forth above is covered by the scope of this order, whether or not produced according to a particular standard.

Subject merchandise also includes large diameter welded pipe that has been further processed in a third country, including but not limited to coating, painting, notching, beveling, cutting, punching, welding, or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the in-scope large diameter welded pipe.

The large diameter welded pipe that is subject to this order is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, 7305.19.5000, 7305.31.4000, 7305.31.6090, 7305.39.1000 and 7305.39.5000. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.